

OFFICE OF
GENERAL COUNSEL

September 7, 2018

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Office of General Counsel
Federal Election Commission
1050 First Street, NE
Washington, DC 20463

MUR # 7498

Before the Federal Elections Commission

1. This complaint is filed against "The Anticorruption League" (FEC ID: C00608174) a committee associated with Zephyr Teachout, formerly known as "Zephyr Teachout for Congress."
2. By the committee's own admission in a recent news article¹ (Albany Times Union: Teachout campaign struggles with spending disclosures, 8/30/18), a spokesperson for both Zephyr Teachout's federal committee and New York State campaign committee has openly admitted to violating FEC rules and laws in submitting fraudulent and deficient campaign finance filings, yet has not attempted to amend and correct the fraudulent and deficient filings.
3. In the Albany Times Union article, the spokesperson was asked about four payments to "Thies & Grenell, LLC" totaling \$7,000 made by committee C00608174 committee on July 13, 2018 disclosed in the committee's August 2018 filing. At the time of the Albany Times Union's inquiry, the entity Thies & Grenell, LLC was known to be working for Zephyr Teachout's current New York State campaign, yet suddenly received a \$7,000 payment from Teachout's largely defunct federal committee. At the time, Teachout's New York State Board of Elections filings did not record any payments or debts to Thies & Grenell, LLC. This fact pattern suggested that Teachout was using the C00608174 committee to finance an unrelated state campaign. The Albany Times Union wrote:

"Until recently, multiple vendors who are working for her attorney general campaign were only listed as having been paid by a separate federal political action committee set up by Teachout in January 2017, which was an outgrowth of her unsuccessful 2016 run for Congress.

If the federal PAC actually was used to pay expenses for the attorney general campaign, it would raise election law questions."

4. In response to the Albany Times Union's questions, a Thies & Grenell, LLC representative "provided invoices showing the \$7,000 paid to her firm by the federal PAC was for work done from late 2017 - not for her current attorney general efforts." The Albany Times Union noted that, "Teachout's federal PAC had never listed owing Grenell any money, over repeated campaign filings."

¹ <https://www.timesunion.com/news/article/Teachout-campaign-struggles-with-spending-13193774.php>

5. Although a more precise date than the "late 2017" description of Thies & Grenell, LLC's services for Teachout's C00608174 committee has not been offered, the timeframe makes clear that there are at least seven different FEC filings made by the C00608174 committee that omit any mention of this invoice and/or the debt that went unpaid for roughly one year. This includes:

- **2017 Year End (Covering activity between 07/01/2017 - 12/31/2017):** The filing should have included the original disclosure of Thies & Grenell, LLC's \$7,000 of work for the committee, given the "late 2017" invoice date that they have already admitted to. There is no record of Thies & Grenell, LLC in the "Schedule B Disbursements," and the filing has no "Schedule D Debts and Obligations."²
- **2018 March Monthly (Covering activity between 01/01/2018 - 02/28/2018):** This filing should have disclosed the committee's \$7,000 debt to Thies & Grenell, LLC, however it has no "Schedule D Debts and Obligations."³
- **2018 April Monthly (Covering activity between 03/01/2018 - 03/31/2018):** This filing should have disclosed the committee's \$7,000 debt to Thies & Grenell, LLC, however it has no "Schedule D Debts and Obligations."⁴
- **2018 May Monthly (Covering activity between 04/01/2018 - 04/30/2018):** This filing should have disclosed the committee's \$7,000 debt to Thies & Grenell, LLC, however it has no "Schedule D Debts and Obligations."⁵
- **2018 June Monthly (Covering activity between 05/01/2018 - 05/31/2018):** This filing should have disclosed the committee's \$7,000 debt to Thies & Grenell, LLC. While the filing contains a "Schedule D Debts and Obligations," this debt is not disclosed.⁶
- **2018 July Monthly (Covering activity between 06/01/2018 - 06/30/2018):** This filing should have disclosed the committee's \$7,000 debt to Thies & Grenell, LLC. While the filing contains a "Schedule D Debts and Obligations," this debt is not disclosed.⁷

² <http://docquery.fec.gov/cgi-bin/forms/C00608174/1202515/>

³ <http://docquery.fec.gov/cgi-bin/forms/C00608174/1215656/>

⁴ <http://docquery.fec.gov/cgi-bin/forms/C00608174/1226734/>

⁵ <http://docquery.fec.gov/cgi-bin/forms/C00608174/1233358/>

⁶ <http://docquery.fec.gov/cgi-bin/forms/C00608174/1258162/>

⁷ <http://docquery.fec.gov/cgi-bin/forms/C00608174/1258169/>

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- **2018 August Monthly (Covering activity between 07/01/2018 – 07/31/2018):** This filing should have disclosed the committee's \$7,000 debt to Thies & Grenell, LLC. While it bizarrely discloses the four July 13, 2018 payments to Thies & Grenell, LLC totaling \$7,000, it does disclose the debt that these payments allegedly resolve.⁸

6. While her campaign(s) admitted to having inaccurate FEC filings in the 8/30/18 Albany Times Union article, Teachout now denies this. At a Democratic Attorney General Democratic primary debate held on September 6, 2018, Teachout was asked about her C00608174 committee's fraudulent and deficient filings, and said that the committee was now in full compliance. This is false.

7. We ask that you begin an audit of Teachout's C00608174 committee, in order to reconcile the unreported spending and debt from her PR firm, and any other undisclosed and/or fraudulent activity that may exist.

Sincerely,

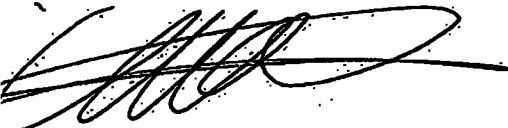


Caitlin Girouard
289 North Plank Road, Suite 3
Newburgh, NY 12550

STATE OF NEW YORK)
COUNTY OF NEW YORK)
SWORN TO BEFORE ME THIS

7 DAY OF 9 2018

Nathaniel T. Harris
Notary Public State of New York
NO. 01HA6272771
Qualified in New York County
Commission Expires on November 26, 2020



⁸ <http://docquery.fec.gov/cgi-bin/forms/C00608174/1258179/>